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Time-Life

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Time, Life and Justice

Antitrust Division Probes Acquisition Of Newark News by Luce Empire

By Drew Pearson and Jack Anderson

ONE OF THE biggest news empires in the world, that of Time, Life and Fortune, has come under the watchful eye of the Justice Department because of its expanding activities.

Specifically, the Antitrust Division is investigating Time-Life-Fortune's purchase of the Newark Evening News, largest paper in northern New Jersey, to ascertain whether this violates the Sherman Antitrust Act.

Simultaneously, the American Council on Alcohol Problems has requested both the Justice Department and the Federal Communications Commission to scrutinize Time-Life-Fortune because of its heavy investment in Metro-Goldwyn-Mayer and its reported working relations with the largest liquor empire in the world, Seagram Distillers.

Seagram is controlled by the Bronfman family, once a power in the Canadian bootlegging world, and is the biggest advertiser in Time-Life-Fortune. The American Council on Alcohol Problems contends that any liquor affiliation, even indirect, must necessarily concern the FCC and the long list of profitable radio and TV stations which Time-Life-Fortune owns.

SO FAR, the Justice Department's Antitrust Division has cracked down on two or three rather insignificant conglomerate mergers, and is known to shy away from an extensive probe of Time-Life-Fortune. But with the trend toward mergers going at such a terrific pace, Attorney General Ramsey Clark has been looking for a major case to test in the courts.

Here is the amazing lineup of properties with which Time-Life can influence American politics, education, religion, labor relations and race relations, which can affect the business world through advertising:

Magazines: Time has the largest weekly circulation of any news magazine in the United States. Life holds the same position among pictorial magazines. Fortune, a monthly devoted to business and economics, is a prestige publication that dominates this field.

Books: Time-Life has now acquired the old-line Boston publishing house of Little, Brown and Co.

Radio: Time-Life owns radio stations KLZ, Denver; WOOD, Grand Rapids, Mich.; KOGO, San Diego; and WFBM, Indianapolis.

Television: Time-Life owns TV stations KERO, Bakersfield, Calif.; KLZ, Denver; WOOD, Grand Rapids, Mich.; KOGO, San Diego; and WFBM, Indianapolis, all highly profitable.

Education: Time-Life has set up the General Learning Corp. to enter the automated education field.

Newspapers: The acquisition of the 85-year-old Newark News, with more than a quarter of a million circulation in northern New Jersey,

puts Time-Life in a position where it can set up a newspaper in Manhattan, just across the Hudson River.

Motion pictures: Time-Life is now the second largest stockholder in Metro-Goldwyn-Mayer, one of the big three of the motion picture world. The largest stockholder, significantly, is the Bronfman family of Seagram.

THE CONNECTION between the Seagram empire and the Time-Life empire derives from the fact that Edgar Bronfman and James Linen, publisher of Time, cooperated in acquiring their purchases of MGM stock. Both have now put their own cooperating directors on the MGM board: Edgar R. Baker, vice president of Time; Edgar Bronfman, president of Joseph Seagram and Sons; and Leo Colber, vice president of Camp Investments Ltd., a holding corporation for Seagram.

This working relationship came about through the

friendship between Edgar Bronfman and Jim Linen, which in turn began at Williams College. Linen graduated from Williams in 1934 and became a trustee. Bronfman was a student between 1946-1949, and was about to be dropped when Linen intervened in his behalf. They have been friends ever since.

It's a happy relationship that doesn't hurt either the giant whisky distillers or the Time-Life-Fortune empire in which they advertise. In October and November, 1966, Fortune carried two articles on the Seagram-Bronfman empire which dealt in glowing terms with the Bronfman family and skated rather gingerly around the fact that the family fortune was made during the rum-running days.

As of today, Seagram and Time can both say that the Bronfman family does not own a share of Time-Life-Fortune stock. But the working relationship between them is close.

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